



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2009 Biennium

<b>Bill #</b>	HB0615	<input checked="" type="checkbox"/>	<b>Title:</b>	SAT required for student graduation and school funding
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<b>Primary Sponsor:</b>	Butcher, Edward B	<b>Status:</b>	As Introduced
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|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns              |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts           | <input type="checkbox"/> Dedicated Revenue Form Attached |

### FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
<b>Expenditures:</b>				
General Fund - Distribution to Schools	\$510,450	\$526,000	\$542,000	\$558,000
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>(\$510,450)</u>	<u>(\$526,000)</u>	<u>(\$542,000)</u>	<u>(\$558,000)</u>

**Description of fiscal impact:** The cost of requiring all students to take the Scholastic Aptitude Test as a graduation requirement is estimated to be \$510,450 in FY 2008 and \$526,000 in FY2009.

### FISCAL ANALYSIS

#### Assumptions:

1. HB 615 requires the Scholastic Aptitude Test (SAT) to be taken by students in all Montana public schools as a graduation prerequisite and as a condition for schools to be eligible for state funding.
2. The SAT tests a student's preparedness for a 4-year college or university program.
3. The cost of the SAT is \$41.50 per student. Each year, it is anticipated that 12,300 students will be required to take the SAT at a cost of \$510,450.
4. It is assumed that the per-student cost of the SAT will increase by 3% annually in FY 2009 through FY 2011.

5. HB 615 has no requirements for test scores to be reported to be reported to the Office of Public Instruction or the public. Additional costs will be incurred by school districts and OPI if assessment results are required to be compiled and reported to the public.

	<b><u>FY 2008 Difference</u></b>	<b><u>FY 2009 Difference</u></b>	<b><u>FY 2010 Difference</u></b>	<b><u>FY 2011 Difference</u></b>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Distribution to Schools	\$510,450	\$526,000	\$542,000	\$558,000
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$510,450	\$526,000	\$542,000	\$558,000
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	(\$510,450)	(\$526,000)	(\$542,000)	(\$558,000)

**Technical Notes:**

1. HB 615 does not contain an appropriation for the cost of the SAT requirement. If the expectation is that the cost will be borne by the high school district, this requirement might not comply with the statutes imposing new duties on a school district to provide means of financing (1-2-113, MCA).

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*Sponsor's Initials*\_\_\_\_\_  
*Date*\_\_\_\_\_  
*Budget Director's Initials*\_\_\_\_\_  
*Date*